

INDEPENDENT AUDITORS' REPORT

To the Members of BANCO GASKETS (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Banco Gaskets (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

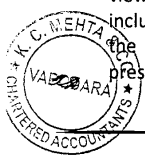
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B, and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements;



K C Mehta & Co.

Chartered Accountants

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W



Vishal P. Doshi
Partner
Membership No. 101533
Place: Vadodara
Date: 7th May 2016



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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in Independent Auditor's Report to the members of BANCO GASKETS INDIA LIMITED ("the Company") for the year ended 31st March, 2016

- i. (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) In our opinion the title deeds of immovable properties of the Company are held in the name of the Company.
- ii. Inventories, other than materials in transit were physically verified during the year by the management at reasonable intervals. The discrepancies noticed on verification between physical inventories and book records were not material and the same have been properly dealt with in the books of account.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, the provisions of clause (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, no investment is made or loan or guarantee or security is given as per provision of section 185 and 186 of the Act and therefore, the provisions of clause (iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, the provisions of clause (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the order of the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) In our opinion and according to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it. Further, no undisputed amounts payable in respect of provident fund,



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Chartered Accountants

employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at 31st March, 2016 for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, there are no disputed dues in respect of duty of customs and sales tax which have not been deposited. The followings are the particulars of duty of excise, service tax and income tax as at 31st March, 2016 which have not been deposited on account of dispute:

Name of the statute	Nature of the disputed dues	Amount (Rs. In lacs)	Period to which the amount relates	Forum where disputes are pending
Central Excise Act, 1944	Excise Duty	21.91	F.Y. 2004-05 to F.Y. 2008-09	CESTAT, Ahmedabad
Finance Act, 1994	Service tax	13.14	From July 2008 to March 2014	Commissioner (Appeals), CE&C and ST, Surat
Income Tax Act, 1961	Income Tax	1.16	A.Y. 2013-14	Deputy Commissioner of Income Tax

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company did not have any loans or borrowings from any financial institution, government or debenture holders during the year.
- ix. In our opinion, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year and therefore, the provisions of clause (ix) of the Order are not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures



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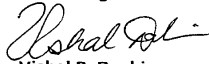
K C Mehta & Co.

Chartered Accountants

during the year under review and therefore, the provisions of clause (xiv) of the Order are not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, the provisions of clause (xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W



Vishal P. Doshi

Partner

Membership No. 101533

Place: Vadodara

Date: 7th May 2016



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ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Banco Gaskets (India) Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

According to the information and explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016. The Company has started the process of establishing the internal control over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the same does not affect our opinion on the financial statements of the Company.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W


Vishal P. Doshi

Partner
Membership No. 101533
Place: Vadodara
Date: 7th May 2016




Banco Gaskets (India) Limited
Balance Sheet as at 31st March 2016

Particulars	Notes	As at	As at
		31st March 2016	31st March 2015
		Rs. In lacs	Rs. In lacs
I Equity and liabilities			
1 Shareholders' funds:			
Share capital	3	3,500.00	3,500.00
Reserves and surplus	4	2,464.75	1,495.78
2 Non-current liabilities:			
Deferred tax liabilities (net)	5	212.53	147.02
Long-term provisions	6	131.07	120.41
3 Current liabilities:			
Short-term borrowings	7	155.81	881.11
Trade payables	8		
(A) due to micro and small enterprises		58.91	71.68
(B) due to other than micro and small enterprises		595.88	813.25
Other current liabilities	9	609.22	583.19
Short-term provisions	10	12.80	11.82
TOTAL		7,740.97	7,624.26
II Assets			
1 Non-current assets:			
Fixed assets	11		
Tangible assets		2,509.58	2,493.46
Intangible assets		21.62	38.02
Capital work-in-progress		-	31.87
Long-term loans and advances	12	39.26	67.38
2 Current assets:			
Inventories	13	2,507.28	2,839.56
Trade receivables	14	2,243.76	1,902.83
Cash and cash equivalents	15	195.24	11.09
Short-term loans and advances	16	224.23	240.05
TOTAL		7,740.97	7,624.26

Significant Accounting Policies and Notes


1 to 40

As per our report of even date attached


For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W

Vishal P. Doshi
Partner
Membership No. 101533

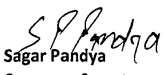


For Banco Gaskets (India) Limited


Mehul K. Patel
Chairman
DIN :- 01772099


Dinesh Patil
Chief Financial Officer


Shrikant Phadke
Whole Time Director
DIN :- 06801034

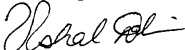

Sagar Pandya
Company Secretary

Banco Gaskets (India) Limited
Statement of Profit & Loss for the year ended on 31st March 2016

Particulars	Notes	For the Year ended on	For the Year ended on
		31st March 2016	31st March 2015
		Rs. In lacs	Rs. In lacs
I Revenue from operations (gross)	17	13,678.02	12,546.88
Less :- Excise duty		(1,452.50)	(1,150.73)
Revenue from operations (net)		12,225.52	11,396.15
II Other income	18	37.95	29.16
III Total revenue (I+II)		12,263.47	11,425.31
IV Expenses			
Cost of materials consumed	19	6,296.88	6,602.39
Changes in value of inventories of finished goods & semi-finished goods	20	152.77	8.82
Employee benefit expenses	21	702.04	677.50
Other expenses	22	3,423.39	3,014.63
Depreciation and amortisation expenses	11	330.03	285.51
Finance costs	23	55.47	120.64
Total(IV)		10,960.58	10,709.48
V Profit before prior period items and tax (III-IV)		1,302.89	715.82
VI Profit before tax (V)		1,302.89	715.82
VII Tax expenses			
Current tax		270.40	207.99
Deferred tax		65.51	42.00
Tax adjustment of earlier years		(1.99)	(11.42)
VIII Profit for the year(VI-VII)		968.97	477.26
IX Earning per equity share (face value of Rs. 10 each)			
Basic		2.77	1.36
Diluted		2.77	1.36
Significant Accounting Policies and Notes	1 to 40		

As per our report of even date attached

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W



Vishal P. Doshi
Partner
Membership No. 101533

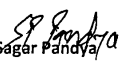


For Banco Gaskets (India) Limited


Mehul K. Patel
Chairman
DIN :- 01772099


Dinesh Patil
Chief Financial Officer

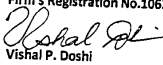

Shrikant Phadke
Whole Time Director
DIN :- 06801034


Sagar Pandya
Company Secretary

Place :- Vadodara
Date :- 7th MAY 2016

Place :- Vadodara
Date :- 7th May 2016

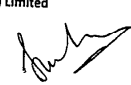
Banco Gaskets (India) Limited		
Cash flow statement for the year ended on 31st March 2016		
	For the Year ended on 31st March 2016 Rs. In lacs	For the Year ended on 31st March 2015 Rs. In lacs
Cash flow from operating activities		
Net profit/(loss) before tax	1,302.89	715.82
Adjustments for non cash items required to be disclosed separately:		
Depreciation		
Unrealised loss (net)	330.03	285.51
Loss/(Profit) on sale of fixed assets	(2.26)	5.92
Finance costs	1.05	-
Interest income	46.61	102.89
	(2.04)	(0.96)
Operating profit before working capital changes	1,676.28	1,109.18
Movement in working capital:		
(Increase)/decrease in trade receivables		
(Increase)/decrease in inventories	(344.37)	105.67
(Increase)/decrease in loans and advances	332.28	(76.52)
Increase/(decrease) in provisions	23.39	43.01
Increase/(decrease) in other current liabilities	13.40	28.50
Increase/(decrease) in trade payables	30.27	(753.08)
Cash generated from operations	(231.33)	30.52
Direct tax paid (net of refunds)	1,499.92	487.28
Net cash flow from operating activities (A)	(276.02)	(206.23)
	1,223.90	281.05
Cash flow from investing activities		
Purchase of fixed assets and capital advances		
Sale of fixed assets	(269.45)	(522.25)
(Increase)/Decrease in Fixed Deposits held as margin money	4.09	-
Interest income	7.93	(1.72)
	1.78	0.96
Net cash flow from investing activities (B)	(255.65)	(523.01)
Cash flow from financing activities		
Finance costs		
Proceed (repayment) from long-term borrowings	(50.86)	(102.89)
Proceed (repayment) from short-term borrowings		(125.00)
Net cash used in financing activities (C)	(725.31)	365.58
	(776.17)	137.69
Net increase/(decrease) in cash and cash equivalents (A+B+C)	192.08	(104.26)
Cash and cash equivalents at the beginning of the year	2.67	106.94
Cash and cash equivalents at the end of the year	194.75	2.67
Components of cash and cash equivalents		
Cash on hand*		
With banks in Current Accounts	3.52	2.34
* includes unrealised foreign exchange (gain)/loss	191.23	0.33
	194.75	2.67
The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 (AS-3) Cash Flow Statement.		
Previous year figures have been regrouped wherever necessary.		
As per our report of even date attached		


For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W

Vishal P. Doshi
Partner
Membership No. 101533



For Banco Gaskets (India) Limited


Mehul K. Patel
Chairman
DIN :- 01772099


Shrikant Phadke
Whole Time Director
DIN :- 06801034


Dinesh Patel
Chief Financial Officer


S.P. Pandya
Company Secretary

Place :- Vadodara
Date :- 7th MAY 2016

Place :- Vadodara
Date :- 7th May 2016

Banco Gaskets (India) Limited
Accompanying notes to the financial statements

1 Corporate information:-

Banco Gaskets (India) limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the manufacturing and selling of gaskets used for automotive industries. The company caters to both domestic and international markets.

2 Significant accounting policies

i) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India. The applicable mandatory Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 of India have been followed in preparation of these financial statements.

ii) Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates. Differences between the actual results and the estimates are recognised in the period in which the same are known/materialised.

iii) Revenue recognition

a. Sales

Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of products are transferred to the buyer under the terms of contract. Sales are inclusive of excise duty but are net of sales returns, sales tax and rate difference adjustments if any.

b. Other income

Other income is recognized on accrual basis except when realisation of such income is uncertain.

c. Insurance claim

Insurance and other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

d. Interest income

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

e. Export incentives

Export incentives are accrued in the year when the right to receive credit is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization/ utilization of such benefits/ duty credit.

iv) Fixed assets

Fixed Assets are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Direct cost are capitalized until the asset are ready for use and include financial cost relating to any borrowing attributable to acquisition. Capital work in progress includes the cost of fixed assets that are not yet ready for the intended use.



Banco Gaskets (India) Limited
Accompanying notes to the financial statements

v) Depreciation

Depreciation on tangible assets except Plant and Machinery has been provided on written down value method over the useful lives of the assets prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation on Plant and machinery is provided on straight-line method over the useful lives of the assets prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation on additions/deletion during the year is provided on pro-rata basis. For assets costing Rs. 5000/- or less depreciation @ 100% is provided in the year of purchase.

vi) Intangible assets and amortisation

Intangible assets are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized over the period of five years.

vii) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

viii) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows -

Inventories	Cost formula
Raw materials, stores and spares, loose tools and packing materials	At weighted average cost
Raw material in transit	At invoice price.
Work-in-process	At raw material cost plus conversion cost, wherever applicable.
Finished goods including transit	Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition. Excise duty applicable thereon is included for valuation purpose.



3anco Gaskets (India) Limited
Accompanying notes to the financial statements

ix) Employee benefits

a. Post-employment benefits

i Defined contribution plan

The Company's contribution to defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

ii Defined benefit plan

The liabilities towards defined benefit schemes are determined using the Projected Unit Credit method. Actuarial valuations under the Projected Unit Credit method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the plan assets.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

b. Short-term employee benefits.

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services. These benefits include salary, wages, bonus, performance incentives etc.

c. Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date.

d. Medical and leave travel assistance benefits

Liability on account of the company's obligation under the employee's medical reimbursement scheme and leave travel assistance is provided on actual basis.

x) Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss Account.

xi) Borrowing cost

Borrowing costs are interest and other costs (Including exchange differences from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest costs) incurred by the company in connection with the borrowing of funds. Borrowing Cost directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowings costs are recognized as an expenses in the period in which they are incurred.



Banco Gaskets (India) Limited

Accompanying notes to the financial statements

xii) Foreign currency transactions

Foreign currency transactions during the year are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities are recognised in the Statement of Profit and Loss.

xiii) Taxes on income

a. Current tax

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

b. Deferred tax

Deferred tax assets and liabilities are recognized on timing differences, being the differences between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods using tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets, other than on unabsorbed depreciation and carried forward losses, are recognised only if there is reasonable certainty that they will be realised in the future. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Deferred Tax assets are reviewed at each balance sheet date for their realisability.

xiv) Provisions, contingent liabilities and contingent assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed.

xv) Research and development

Revenue expenditure on research and development is charged against the profit for the year in which it is incurred. Capital expenditure on research and development is shown as an addition to fixed assets and depreciated accordingly.



3. Equity share capital

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Authorised shares		
3,50,00,000 Equity Shares of Rs. 10 each	3,500.00	3,500.00
Issued, subscribed & fully paid up		
3,50,00,000 Equity Shares of Rs. 10 each	3,500.00	3,500.00
Total issued, subscribed & fully paid up share capital	3,500.00	3,500.00

3.1 A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	No. of shares in Lacs	Share capital
		(Rs. In lacs)
As of 1st April 2014	350	3,500.00
Addition during the year	-	-
Balance as of 31st March 2015	350	3,500.00
As of 1st April 2015	350	3,500.00
Addition during the year	-	-
Balance as of 31st March 2016	350	3,500.00

3.2 Terms/rights attached to Equity shares

For all matters submitted to vote in a shareholders meeting of the company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each shares held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the company. The remaining assets of the company shall be distributed to the holders of equity shares in proportion to the number of shares held to total equity shares outstanding as on that date.

3.3 Shares held by holding & other associated companies as of 31st March 2016 are as under :-

Particulars	No. of shares in Lacs	Extent of holding
Holding company:- Banco Products (India) Limited		
Balance as of 31st March 2015	350	100%
Balance as of 31st March 2016	350	100%

3.4 Shares in the company held by shareholders holding more than 5% are as under:-

Particulars	No. of shares in Lacs	Extent of holding
Banco Products (India) Limited		
Balance as of 31st March 2015	350	100%
Balance as of 31st March 2016	350	100%

4. Reserves and surplus

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Surplus/(deficit) in the statement of profit and loss		
At the beginning of the year	1,495.78	1,018.52
Net profit for the year	968.97	477.26
Total	2,464.75	1,495.78



5. Deferred tax liability (net)

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Deferred tax liability		
Difference between book depreciation and tax depreciation	260.09	190.16
Deferred tax assets		
Expense allowable on payment basis as per Income Tax Act, 1961	47.56	43.14
Net deferred tax liability/(assets)	212.53	147.02

6. Long term provisions

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Provision for employee benefits	131.07	120.41
Total	131.07	120.41

7. Short term borrowings

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Loans repayable on demand from Banks		
Secured	155.81	381.11
Unsecured	-	500.00
Total	155.81	881.11

Bank Loan repayable on demand are secured by hypothecation of entire current assets such as stocks, receivables etc. of the company on first pari-passu basis with other working capital lenders.

8. Trade payable

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Due to micro and small enterprise	58.91	71.68
Due to others	595.88	813.25
Total	654.79	884.93

The amount due to Micro & Small Enterprise, as defined under the "Micro Small and Medium Enterprise Development Act, 2006" stated above is based on the information available with the Company. Payment made to suppliers beyond the due dates during the year was Rs. 521.49 lacs (Previous Year Rs.113.83 lacs). No interest during the year has been paid to Micro and Small Enterprise on delayed payments. Further interest accrued and remaining unpaid at the year end Rs. 0.02 lacs (Previous Year Rs.1.89 lacs) is not provided in the books as the management is of the opinion that due to contractual terms they will not be required to pay the same.

9. Other current liabilities

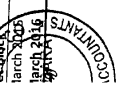
Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Interest accrued but not due on borrowings	-	4.25
Duties and taxes payable	43.66	33.42
Advance from customers	52.55	10.36
Capital creditors	13.49	17.63
Other payables	499.52	517.53
Total	609.22	583.19

10. Short term provisions

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Provision for employee benefits	131.07	120.41



Particulars / Assets	TANGIBLE ASSETS (OTHER THAN R & D)										INTANGIBLE ASSETS (OTHER THAN R & D)			
	Freehold Land	Buildings	Plant and Machinery	Other Assets	Computers	Furniture & Fixtures	Vehicle	Total	Software	Technical Know-How	Total			
or valuation	241.24	475.77	1,872.71	18.94	11.11	22.21	0.80	2,642.78	42.15	39.36	81.51			
April 2014	-	8.11	404.75	2.80	27.69	5.83	-	449.18	0.47	-	0.47			
itions	-	-	-	-	-	-	-	-	-	-	-			
ction/Adjustment	241.24	483.88	2,277.46	21.74	38.80	28.04	0.80	3,091.96	42.62	39.36	81.98			
1 March 2015	-	0.00	53.05	0.06	25.13	0.06	0.55	78.85	-	-	-			
ferred to R & D Block for	-	-	53.03	8.67	1.92	17.41	-	81.03	-	-	-			
osition as of 1st April 2015	-	-	5.45	-	-	-	-	5.45	-	-	-			
ction/Adjustment	241.24	483.88	2,271.99	30.35	15.59	45.39	0.25	3,088.69	42.62	39.36	81.98			
March 2016	-	73.09	246.61	3.56	2.48	3.39	0.19	329.32	11.89	15.74	27.63			
April 2014	-	38.76	207.50	9.42	8.41	4.90	0.19	269.18	8.45	7.88	16.33			
for the year	-	-	-	-	-	-	-	-	-	-	-			
ction/Adjustment	-	111.85	454.11	12.98	10.89	8.29	0.38	598.50	20.34	23.62	43.96			
March 2015	-	2.87	2.87	0.04	2.96	0.04	0.15	6.05	-	-	-			
ferred to R & D	-	35.35	229.90	7.98	3.41	6.62	0.02	283.28	8.53	7.87	16.40			
for the year	-	-	0.31	-	-	-	-	0.31	-	-	-			
ction/Adjustment	-	147.20	680.82	20.92	11.34	14.87	0.25	875.41	28.87	31.49	60.36			
March 2016	-	-	-	-	-	-	-	-	-	-	-			
lock	241.24	372.03	1,823.35	8.76	27.91	19.75	0.42	2,493.46	22.28	15.74	38.02			
March 2015	241.24	336.68	1,591.16	9.44	4.25	30.52	[0.00]	2,213.28	13.75	7.87	21.62			
March 2016	-	-	-	-	-	-	-	-	-	-	-			
Particulars / Assets	TANGIBLE ASSETS FOR R & D										INTANGIBLE ASSETS FOR R & D			
or valuation	Freehold Land	Buildings	Plant and Machinery	Other Assets	Computers	Furniture & Fixtures	Vehicle	Total	Software	Technical Know-How	Total			
March 2015 (Transferred	-	-	53.05	0.06	25.13	0.06	0.55	78.85	-	-	-			
bove Block for the	-	52.40	197.21	1.74	2.51	-	-	253.86	-	-	-			
in as of 1st April 2015)	-	-	-	-	-	-	-	-	-	-	-			
ns	-	52.40	250.26	1.80	27.64	0.06	0.55	332.71	-	-	-			
tion/Adjustment	-	-	2.87	0.04	2.96	0.04	0.15	6.05	-	-	-			
March 2015	-	3.34	14.55	0.57	11.77	0.01	0.11	30.35	-	-	-			
for the year	-	-	-	-	-	-	-	-	-	-	-			
tion/Adjustment	-	3.34	17.42	0.62	14.73	0.04	0.26	36.40	-	-	-			
March 2016	-	-	50.18	0.02	22.17	0.02	0.40	72.80	-	-	-			
lock	-	49.06	232.84	1.18	12.91	0.02	0.29	296.30	-	-	-			
March 2015	241.24	372.03	1,823.35	8.76	27.91	19.75	0.42	2,493.46	22.28	15.74	38.02			
March 2016	241.24	385.74	1,824.00	10.62	17.16	30.53	0.29	2,509.58	13.75	7.87	21.62			



12. Long term loans and advances

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Unsecured, considered good		
Capital advances	38.57	66.69
Security deposits	0.69	0.69
Total	39.26	67.38

13. Inventories

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Raw materials*	1,450.64	1,536.18
Work-in-progress		
Gaskets	411.44	395.99
Others	-	3.54
Finished goods		
Gaskets**	441.43	605.76
Others	-	0.35
Stores and spares	121.60	118.10
Loose tools	3.18	90.00
Packing materials	78.99	89.64
Total	2,507.28	2,839.56

* Raw material includes goods in transit of Rs. 33.74 lacs (Previous Year Rs. 20.82 lacs)

** Finished goods includes goods in transit of Rs.75.19 lacs (Previous Year Rs. 141.18 lacs)

14. Trade receivables

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	29.84	79.79
(A)	29.84	79.79
Others		
Unsecured, considered good	2,213.92	1,823.04
(B)	2,213.92	1,823.04
Total ((A)+(B))	2,243.76	1,902.83

15. Cash and cash equivalents

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
[A] Cash and cash equivalents		
Balances with banks	191.23	0.33
Cash on hand	3.52	2.34
(A)	194.75	2.67
[B] Other bank balances		
Bank Deposits held as margin money against guarantees	0.49	8.42
(B)	0.49	8.42
Total ((A)+(B))	195.24	11.09



16. Short term loans and advances

Particulars	As at	As at
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Unsecured, Considered good		
Security Deposit	2.03	1.90
Advance income-tax (net of provision for taxation)	100.76	94.73
Balance with statutory/government authorities	36.37	63.94
Prepaid expenses	13.87	11.31
Interest accrued but not due on bank deposits	0.68	0.42
Advance to vendors	26.87	33.22
Duty drawback receivables	4.54	20.16
Other advances	39.11	14.37
Total	224.23	240.05

17. Revenue from operations

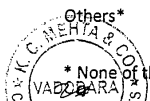
Particulars	For the Year	For the Year
	ended on	ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Sale of products		
Finished goods		
Gaskets	13,333.30	12,243.05
Compressed fibre jointing sheet	7.95	25.65
	13,341.25	12,268.70
Scrap sales	182.38	192.32
Other operating revenue	154.39	85.86
Total	13,678.02	12,546.88

18. Other income

Particulars	For the Year	For the Year
	ended on	ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Interest income	2.04	0.96
Exchange difference gain (net)	27.74	-
Others	8.17	28.20
Total	37.95	29.16

19. Cost of materials consumed

Particulars	For the Year	For the Year
	ended on	ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Inventory at the beginning of the year	1,536.18	1,546.15
Add : Purchases	6,211.34	6,592.42
	7,747.52	8,138.57
Less : Inventory at the end of the year	1,450.64	1,536.18
Cost of materials consumed	6,296.88	6,602.39
Material Consumed under Broad heads		
Non Asbestos	1,507.28	1,230.73
Steel	1,075.99	983.60
Rubber	283.49	379.97
Others*	3,430.12	4,008.09
Total	6,296.88	6,602.39



* None of the item individually accounts for more than 10% of total consumption.

20. Increase/(decrease) in inventories

Particulars	For the Year ended on	For the Year ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Inventories at the beginning of the year		
Work in progress		
Gaskets	395.99	405.61
Compressed Fibre Jointing Sheet	3.54	11.69
Finished goods		
Gaskets	605.76	586.22
Compressed Fibre Jointing Sheet	0.35	10.94
	<u>1,005.64</u>	<u>1,014.46</u>
Inventories at the end of the year		
Work in progress		
Gaskets	411.44	395.99
Compressed Fibre Jointing Sheet	-	3.54
Finished goods		
Gaskets	441.43	605.76
Compressed Fibre Jointing Sheet	-	0.35
	<u>852.87</u>	<u>1,005.64</u>
Changes in inventories	<u>152.77</u>	<u>8.82</u>

21. Employee benefit expenses

Particulars	For the Year ended on	For the Year ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Salaries, wages and bonus	615.27	588.34
Contribution to provident fund and other funds	50.22	53.54
Staff Welfare Expenses	36.55	35.62
Total	<u>702.04</u>	<u>677.50</u>

22. Other expenses

Particulars	For the Year ended on	For the Year ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Consumption of stores and spares	278.45	106.37
Power and fuel	666.66	623.47
Excise duty provision on Finished goods	22.83	(1.20)
Labour charges	1,289.30	1,196.88
Repair and maintenance		
Plant and machinery	113.54	109.78
Building	54.47	60.76
Factory general expenses	46.67	38.04
Insurance	8.82	7.05
Audit fees	1.25	1.00
Rent rates and taxes	1.24	1.23
Travelling and conveyance	84.95	87.67
CSR Expenses	15.50	11.00
Legal and professional fees	60.14	41.20
Sales commission and discount	439.39	422.20
Exchange difference loss (net)	-	4.42
Doubtful debts/sundry balances written off	-	1.80
Freight outward	269.34	229.56
Other selling expenses	24.24	23.39
Loss on sale of assets	1.05	-
Donation	-	2.11
	<u>457.55</u>	<u>47.00</u>

22.1 Payment to auditor

Particulars	For the year ended on	For the Year ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Statutory Auditor (Excluding service tax)		
(i) Auditor	1.25	1.00
(ii) For taxation matters	1.55	0.60
(iii) For other services	0.95	0.49
(iv) For Reimbursement of expenses	0.08	0.08
Total	3.83	2.17

23. Finance cost

Particulars	For the Year ended on	For the Year ended on
	31st March 2016	31st March 2015
	Rs. In lacs	Rs. In lacs
Interest expenses	46.61	102.89
Bank charges	8.86	17.75
Total	55.47	120.64



Banco Gaskets (India) Limited
Accompanying notes to the financial statements

24 Contingent liabilities not provided for

a. Details of claims against the company not acknowledged as debts consists of the following:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Central excise and service tax	61.82	61.82
Income tax	7.14	-
Letter of credit	64.49	84.40
Claims from employees and former employees	Amount unascertainable	Amount unascertainable

25 Capital and other commitments

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	0.75	129.96

26 Employee Benefits

a. Post employment benefits consists of the following:

i Defined contribution plans:

The Company makes contribution towards recognized provident fund to defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefit.

The Company has recognised an amount of **Rs. 24.79 lacs** (Previous year Rs. 24.18 lacs) as expenses under the defined contribution plan in the Statement of Profit & Loss for the year ended 31st March, 2016.

ii Defined benefit plan:

The Company makes annual contributions to the Employees' Group Gratuity of the LIC, a funded defined benefit plan for employees of the Company. The scheme provides for payment to vested employees as under:

a) On normal retirement/ early retirement/ withdrawal/resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

b) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out at 31st March, 2016 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March, 2016.



Banco Gaskets (India) Limited
Accompanying notes to the financial statements

b. Reconciliation in present value of obligations (PVO) defined benefit obligation:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Current service cost	8.28	7.55
Past service cost	4.17	-
Interest cost	8.64	9.70
Actuarial (gain)/loss	2.21	11.95
Benefits paid	(8.78)	(25.96)
PVO at the beginning of the year	112.70	109.46
Present value of defined benefit obligation at year end	127.22	112.70

c. Change in fair value of plan assets:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Expected return on plan assets	1.71	3.46
Contributions by the employer	8.20	8.86
Benefits paid	(8.78)	(25.96)
Adjustments to the opening fund*/actuarial losses and expenditure on fund	(3.84)	(3.56)
Fair value of plan assets at the beginning of the Year	16.88	34.08
Fair value of plan assets at end of year	14.17	16.88

d. Reconciliation of PVO and fair value of plan assets:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
PVO at end of year	127.22	112.70
Fair value of planned assets at end of year	14.17	16.88
Plan assets/(liability)	(113.05)	(95.82)

e. Net cost for the year ended:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Current service cost	8.28	7.55
Past service cost	4.17	-
Interest cost	8.64	9.70
Expected return on plan assets	(1.71)	(3.46)
Adjustment to the opening fund*	3.84	3.56
Actuarial (gain)/loss	2.21	11.95
Net cost	25.43	29.30

* Adjustment to opening balance represents difference between actual interest credited after financial year end and estimated interest booked.



Banco Gaskets (India) Limited
Accompanying notes to the financial statements

f. Category of assets as at the year end:

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Insurer managed funds (100%)	100.00%	100.00%

g. The principal assumptions used in determining gratuity for the company's plan is as below:

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Mortality table (LIC)	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Discount rate (per annum)	ult. 7.85%	ult. 7.80%
Expected rate of return on plan assets (per annum)	7.85%	9.00%
Rate of escalation in salary (per annum)	6.00%	6.00%
Employee turnover*	3% to 15 %	1% to 5 %
*15% at younger ages reducing to 3% at older age		

h. Experience adjustment:

Particulars	(Rs. in lacs)			
	For the year ended 31st March, 2016	For the year ended 31st March, 2015	For the year ended 31st March, 2014	For the year ended 31st March, 2013
On plan liabilities - loss/(gain)	(0.53)	(0.96)	13.39	15.36
On plan assets - loss/(gain)	0.48	Nil	Nil	Nil

In absence of availability of , experience adjustment of 31st March 2012 on plan liabilities and on plan assets has not been furnished above.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan asset management.

27 Segment information

The operation of the company are limited to one segment, namely, manufacturing of automobile components.



Banco Gaskets (India) Limited
Accompanying notes to the financial statements

28 Earnings Per Share

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Net profit/(loss) after tax- Rs. In lacs	968.97	477.26
Weighted numbers of equity shares outstanding shares in nos. (lacs)	350.00	350.00
Basic earnings per share in Rs. (Rs.10/- per share)	2.77	1.36
Diluted earning per share in Rs. (Rs.10/- per share)	2.77	1.36

29 Related party disclosures

a. Disclosures as required by Accounting Standard -18 are given below:

Name of related parties	Nature of relationship
Banco Products (India) limited	Holding Company
Banco Aluminum Limited	Company in which certain directors are common
Shri Samir K.Patel	Key Management Personnel
Shri Mehul K.Patel	Key Management Personnel
Shri Shrikant Phadke	Key Management Personnel

b. The following transactions were carried out with the related parties in ordinary course of business during the year.

Nature of transaction	(Rs. in lacs)		
	Holding company	Key Management Personnel	Total
Sale of goods(net of sales return)	328.05 (264.22)	-	328.05 (264.22)
Purchase of goods	44.26 (244.01)	-	44.26 (244.01)
Loan taken during the year	600.00	-	600.00
Loan repayment during the year	600.00	-	600.00
Interest on loan	17.94	-	17.94
Expenses reimbursed	39.38 (32.91)	-	39.38 (32.91)
Directors remuneration	-	22.76 (22.75)	22.76 (22.75)
Balances as on 31st March			
Receivables	10.19 (-16.48)	-	10.19 (-16.48)

(Previous year figures are in brackets)

c. The following transactions were carried out with the related parties in ordinary course of business during the year.

Nature of Transaction	Holding company	Key Management Personnel	Total
Directors Remuneration			
Shri Shrikant Phadke	Nil Nil	22.76 (22.75)	22.76 (22.75)



Banco Gaskets (India) Limited
 Accompanying notes to the financial statements

30 Value of Imports calculated on CIF basis

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Raw materials (including material in transit)	1,634.39	1,812.01
Stores and spares	42.83	36.68
Capital goods	174.79	92.81
Total	1,852.01	1,941.50

31 Expenditure in foreign currency.

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Foreign travel	Nil	0.42
Commission on exports	1.39	2.04

32 Imported and indigenous raw material and spare parts consumed.

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	(Rs. in lacs)	%	(Rs. in lacs)	%
Raw materials				
Imported	1,333.80	21.18%	1,391.63	21.08%
Indigenous	4,963.08	78.82%	5,210.76	78.92%
Total	6,296.88	100.00%	6,602.39	100.00%
Stores and spares				
Imported	6.45	2.32%	2.41	2.27%
Indigenous	272.00	97.68%	103.96	97.73%
Total	278.45	100.00%	106.37	100.00%

33 Details of earnings in foreign exchange is as follows:

Particulars	(Rs. in lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
F.O.B. value of goods exported	1,741.00	1,663.00



Banco Gaskets (India) Limited

Accompanying notes to the financial statements

34 Additional information pursuant to the provisions of paragraph 5 of part II of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the company.

35 The details of revenue expenditure & capital expenditure incurred on research and development is as below.

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Capital Expenditure :-		
Plant & Machinery		
Building	199.72	47.48
Others	52.40	-
	1.74	-
Total Capital Expenditure	253.86	47.48
Revenue Expenditure :-		
Salary & Wages		
Raw Material Consumed	70.16	43.67
Administrative and Manufacturing Expenses	4.72	5.31
Depreciation	34.65	35.94
	30.35	3.82
Total Revenue Expenditure	139.88	88.74
Total Research and Development Expenditure	393.74	136.22

36 Lease payments are recognised in the statement of Profit and Loss account as "Rent, rates and taxes" under the head "other expenses".

37 In the opinion of the management and to the best of their knowledge and belief the value on realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

38 Balances of Trade receivable and Trade payable are subject to confirmation, reconciliation and consequential adjustment, if any.



Banco Gaskets (India) Limited

Accompanying notes to the financial statements

39 Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII there of :

- a. Gross amount required to be spent by the Company during the year. Rs. 15.41 lacs
b. Amount (Rs. In lacs) spent during the year on :-

Sr. No	Nature	In Cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of any asset	Nil	Nil	Nil
(ii)	On purposes other than (i) above	15.49	Nil	15.49

40 Figures of the previous year have been regrouped/re-cast wherever necessary.

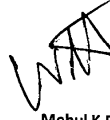
For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W



Vishal P. Doshi
Partner
Membership No. 101533



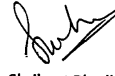
For Banco Gaskets (India) Limited



Mehul K. Patel
Chairman
DIN :- 01772099


Dinesh Patil
Chief Financial Officer

Place :- Vadodra
Date :- 7th May 2016



Shrikant Phadke
Whole Time Director
DIN :- 06801034


Sagar Pandya
Company Secretary

Place :- Vadodra
Date : 7th MAY 2016